



State of Nevada

IT Project Oversight Committee (ITPOC))

Policy

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1.0 PURPOSE

To establish a risk management policy for information technology (IT) projects in the state of Nevada. The purpose is to ensure that the risks associated with a project are well understood so they can be managed, planned for and mitigated during the execution of the project. The risk management policy requires that risks associated with IT projects must be identified, analyzed and prioritized. Identified risks must be controlled through the process of project planning and monitoring. Risk identification and management is an integrated component of project management and must be continuously assessed and analyzed during the life of a project.

2.0 SCOPE

This applies to all Nevada state executive branch organizations receiving, expending or disbursing state funds.

Specifically those state organizations as defined in Section 8.0, which are undertaking:

- A. Major IT projects and investments with a total cost of \$500,000 or more, including the cost of state employee time;
- B. Additional requests for funding for existing IT projects that now cause the project to have a total cost of \$500,000 or more; and/or
- C. IT projects and investments that are critical in nature or have major impact on a state organization.

3.0 EFFECTIVE DATES

The requirements of this policy are effective 90 days after sign-off by the Governor or his designee.

4.0 RESPONSIBILITIES

Heads of all Nevada state executive branch organizations are responsible for their organization's compliance with the requirements of this policy.

The IT project manager has the basic responsibility for implementing the policy. If the IT project manager is not a state employee, then a state employee must be assigned to provide oversight to this non-state IT project manager and ensure compliance with this policy.

5.0 RELATED DOCUMENTS

http://gitoc.nevada.gov/document_index.htm - Project

Policy 9.04(A) Project Management

Policy 9.05(A) Project Planning

Policy 9.07(A) Project Tracking



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Policy 9.08(A) Requirements Management
Policy 9.09(A) Configuration Management
Policy 9.10(A) Project Closeout
Standard 9.03(A) Monthly Cost Schedule Report
Standard 9.11(A) Risk Assessment and Management Report
CF903_Form_Risk Assessment Questionnaire
CF904_Form_Risk Management Worksheet

6.0 POLICY

Risks associated with each IT project must be identified, analyzed and prioritized. Project risks are defined in the planning stage, documented in the project plan, and then mitigated throughout the life of the project. Identified risks must be controlled throughout the process of project planning and monitoring. Risk identification and management must be integrated components of project management and will be regularly assessed and analyzed during the life of the project.

Assessing a project's risks will help project managers make more informed decisions and ensure more successful outcomes. Risk assessment is not problem management but is a process that reduces the likelihood of problems occurring. The risk management process must be integrated with the other elements of project management to ensure consistency in process. Project risks involve exposure to events such as: failure of the project to obtain anticipated benefits, costs that exceed planned levels, extended project schedules and poor performance of a system.

OBJECTIVES:

1. Risk identification will be led by the project manager, with the assistance of team members with various perspectives, such as technical, user, and management. Risks are listed, analyzed for probability of occurrence and potential impact on the project, and prioritized. Risk identification occurs at the beginning of the project and continues throughout the project's life cycle. Management must ensure that the project team openly and routinely discusses and analyzes risks throughout the life of the project.
2. Risk management planning produces plans for addressing each major risk item and coordinates individual risk plans to the overall plan. Risk planning assures that project schedules and cost estimates are adjusted to ensure that adequate time is allocated to properly develop and execute risk mitigation measures when required.
3. Risk management monitoring and control involves tracking the progress toward resolving high risk items and taking corrective action when appropriate. The top risk items are highlighted as part of the project reviews.



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To demonstrate compliance with this policy, the following documentation must be available, at a minimum.

- List of project risks and a completed Risk Assessment report
- Assessment of risks associated with the project assumptions

7.0 EXCEPTIONS/OTHER ISSUES

Exceptions to this policy must be approved by ITPOC and the Chief Information officer (CIO).

8.0 DEFINITIONS

- 8.1 State Organization: departments, divisions, agencies, bureaus, units, commissions, boards, or institutions
- 8.2 Information Technology Project: a project for a major computer, telecommunications or other information technology improvement with an estimated cumulative cost of \$500,000 or more and includes any such project that has proposed expenditures for: (1) new or replacement equipment or software; (2) upgrade improvements to existing equipment and any computer systems, programs, or software upgrades therefore; or (3) data or consulting or other professional services for such a project.
- 8.3 Qualified Project Manager: An individual who has at least five-years experience in all aspects of IT project management. Must have proven experience with managing large, complex IT projects to acceptable completion.

<i>Approved By</i>		
Title	Signature	Date
ITPOC Chair	Signature on File	02/07/02
NV IT Operations Committee Chair	Signature on File	03/14/02
Governor/Governor's Representative		

<i>Document History</i>		
Revision	Date	Change
A	03/14/02	Initial release.